



DEPARTMENT OF THE NAVY

OFFICE OF LEGISLATIVE AFFAIRS
1300 NAVY PENTAGON
WASHINGTON DC 20350-1300

IN REPLY REFER TO
LA-2B: ss
May 12, 2006

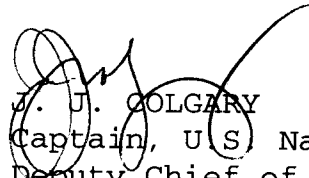
MEMORANDUM FOR INTERESTED MEMBERS OF CONGRESS

Subj: PRELIMINARY PLANNING FOR OMB CIRCULAR A-76 COMMERCIAL
ACTIVITY STUDY

Encl: (1) Congressional Notification of Preliminary Planning

1. Appreciating your interest in the current plans, programs and policies of the Department of the Navy, please be advised that the Navy will begin preliminary planning for a commercial activities study under OMB Circular A-76 on the NAVAIR Test and Evaluation functions at China Lake, California; Pt. Mugu, California, and Patuxent River, Maryland.
2. Preliminary planning will produce a decision on the scope of any public-private competition and the personnel to be included. A competition will only be initiated if preliminary planning reveals that it will likely result in savings for the Navy. Prior to initiating a commercial activities competition under OMB Circular A-76, the Navy will provide a formal notification to Congress.
3. The Office of Legislative Affairs point of contact is Ms. Louise Vitale at (703) 697-2880.

Sincerely,


J. J. COLGARY
Captain, U.S. Navy
Deputy Chief of Legislative
Affairs



DEPARTMENT OF THE NAVY
THE ASSISTANT SECRETARY OF THE NAVY
(INSTALLATIONS AND ENVIRONMENT)
1000 NAVY PENTAGON
WASHINGTON, D.C. 20350-1000

The Honorable Duncan Hunter
Chairman, Committee on Armed Services
House of Representatives
Washington, DC 20515

MAY 8 2006

Dear Mr. Chairman:

This letter provides notification that certain functions performed by civilian personnel in the Department of the Navy are being considered for competitive sourcing. At this time, only preliminary planning for possible competition is taking place. The Navy will collect data on Test and Evaluation functions at the following locations:


City and State	Activity Name	Civilians	Military
China Lake, CA	NAWCWD	164	0
Pt Mugu, CA	NAWCWD	50	0
Patuxent River, MD	NAWCAD	230	0
GRAND TOTAL		444	0

We anticipate that preliminary planning will be completed in nine to twelve months. The preliminary planning process includes a determination of the number of positions that may be competed and the activities being performed by the positions, research to determine appropriate grouping of the activities, collection and assessment of workload data, and a determination of the present baseline cost. If the agency determines a competition under the A-76 Circular is appropriate, we will then go forward to select the type of competition and the key competition officials and develop a preliminary schedule. Preliminary planning must show that savings will be the likely result before the Department moves forward to initiate a competition. Also, prior to beginning a competition, the Navy will formally notify Congress.

The Navy continues to seek ways to improve efficiency and effectiveness, reduce the overall cost of operations, and improve business processes. This effort includes exploring opportunities for competitive initiatives.

A similar letter has been sent to Chairmen Warner, Stevens, and Young. If I can be of further assistance, please let me know.

Sincerely,



BJ Penn

Copy to:
The Honorable Ike Skelton, Ranking Member



DEPARTMENT OF THE NAVY
THE ASSISTANT SECRETARY OF THE NAVY
(INSTALLATIONS AND ENVIRONMENT)
1000 NAVY PENTAGON
WASHINGTON, D.C. 20350-1000

The Honorable Ted Stevens
Chairman, Subcommittee on Defense
Committee on Appropriations
United States Senate
Washington, DC 20510

MAY '8 2006

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BJ Penn

Copy to:
The Honorable Daniel Inouye, Ranking Member



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(INSTALLATIONS AND ENVIRONMENT)
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United States Senate
Washington, DC 20510

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Sincerely,

A handwritten signature in black ink, appearing to be 'BJ Penn', with a horizontal line extending to the right.

BJ Penn

Copy to:
The Honorable Carl Levin, Ranking Member



DEPARTMENT OF THE NAVY
THE ASSISTANT SECRETARY OF THE NAVY
(INSTALLATIONS AND ENVIRONMENT)
1000 NAVY PENTAGON
WASHINGTON, D.C. 20350-1000

The Honorable C. W. Bill Young
Chairman, Subcommittee on Defense
Committee on Appropriations
House of Representatives
Washington, DC 20515

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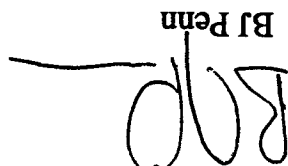
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The Honorable John P. Murtha, Ranking Member